

**UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:

JAMES WELDON MADDOX

Debtor

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CASE NO. 06-34754-h5-7
Chapter 7

MOTION FOR ENTRY OF AGREED JUDGMENTS

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 20 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING. REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEYS.

THERE WILL BE A HEARING ON THIS MOTION ON JULY 14, 2008 AT 9:30 A.M. IN COURTROOM 403, 515 RUSK HOUSTON, TEXAS.

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Plaintiffs Allen Hom, Trustee and RMCS, LLC ("Plaintiffs") and Defendant James Maddox ("Maddox") hereby move this Court for entry of the agreed judgments negotiated by the parties. The grounds for this motion are as follows:

I. SUMMARY OF RELIEF REQUESTED

1. While the Plaintiffs do not believe this settlement necessitates a motion to approve a compromise of controversy as required under local rule 7041, in an abundance of caution, Plaintiffs file this Motion for Entry of Agreed Judgments. The settlement reached between the parties does not affect the Debtor's estate and the Chapter 7 Trustee has approved the terms.

2. Plaintiffs and Maddox have executed a settlement agreement and release in the adversary suit number 07-03207 (“the Settlement”). Under the terms of the Settlement, Maddox will pay each Plaintiff the sum of \$150,000.00 in exchange for Plaintiffs’ dismissal of their claims against Maddox.

II. JURISDICTION

3. This Court has jurisdiction over this motion under 28 U.S.C. §§ 157 and 1334. This is a core matter under 28 U.S.C. § 157(b)(2).

III. FACTUAL BACKGROUND

4. Plaintiffs entered into commercial lease agreements personally guaranteed by the Maddox. Maddox defaulted on these personal guarantees and subsequently, the Plaintiffs obtained judgments against Maddox for the amounts owing under the guarantee.

5. The Plaintiffs filed an involuntary bankruptcy against Maddox and filed Proofs of Claim in the above mentioned bankruptcy proceeding. An adversary suit was also brought by the Plaintiffs to bar Maddox’s discharge pursuant to 11 U.S.C. § 727.

6. The parties have negotiated a settlement and Plaintiffs are concurrently filing a notice of settlement in Adversary No. 07-03207.

IV. PROPOSED SETTLEMENT AND COMPROMISE

7. Under the terms of the Settlement, Maddox will pay each Plaintiff the sum of \$50,000.00 in cash for a total sum of \$100,000.00 and execute promissory notes of \$50,000.00 and \$100,000.00 to each Plaintiff for a total sum of \$300,000.00 in exchange for Plaintiffs’ dismissal with prejudice of their claims against Maddox.

8. Maddox grants each Plaintiff a non-dischargeable judgment in the face amount of \$800,000.00 as compromise for the Proofs of Claim and Lawsuits but which may be satisfied for a lesser amount by agreement or by payment in full.

WHEREFORE, for the foregoing reasons, this Court should enter the Agreed Judgments and should grant all such further relief as is just and proper.

Respectfully submitted,

WEYCER, KAPLAN, PULASKI & ZUBER, P.C.

By: /s/ Hugh M. Ray, III
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ATTORNEYS FOR PLAINTIFFS
RMCS, L.L.C. AND ALLEN HOM, TRUSTEE

CERTIFICATE OF SERVICE

On June 5, 2008, I hereby certify that a true and correct copy of the foregoing Motion has been served to all parties requesting notice by ECF, and to the following parties by first class mail:

Keavin D. McDonald
Law Office of Keavin D. McDonald, PC
4543 Post Oak Place, Suite 106
Houston, Texas 77027

Nancy Holley
Office of the U.S. Trustee
515 Rusk, Room 3516
Houston, Texas 77046

/s/ Hugh M. Ray, III
HUGH M. RAY, III